

Justification of Fixed Costs and Related Changes (Dollars in Thousands)	2006 Budget Change	2006 Budget Revised	2007 Change
Additional Operations Costs from 2006 and 2007 January Pay Raises			
2006 Pay Raise, 3 Quarters Amount of pay raise absorbed	+8,828 [0]	8,698 [3,201]	
2007 Pay Raise, 1 Quarter Amount of pay raise absorbed			+2,904 [1,245]
2007 Pay Raise Amount of pay raise absorbed			+6,702 [2,872]
These adjustments are for an additional amount needed in 2007 to fund the remaining 3-month portion of the estimated cost of the, on average, 3.1 percent pay increases effective in January 2006 and the additional costs of funding for an estimated 2.2 percent January 2007 pay increase for GS-series employees and the associated pay rate changes made in other pay series.			
Other Fixed Costs Changes:			
Workers Compensation Payments The adjustment is for actual charges through June 2005, in the costs of compensating injured employees and dependents of employees who suffered accidental deaths while on duty. Costs for 2006 will reimburse the Department of Labor, Federal Employees Compensation Fund, pursuant to 5 U.S.C. 8147(b) as amended by Public Law 94-273.	4,943	4,870	+737
Unemployment Compensation Payments The adjustment is for estimated changes in the costs of unemployment compensation claims to be paid to the Department of Labor, Federal Employees Compensation Account, in the Unemployment Trust Fund, pursuant to Public Law 96-499.	1,456	1,435	+191

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Rental Payments to GSA The adjustment is for changes in the costs payable to General Services Administration and others resulting from changes in rates for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. Costs of mandatory office relocations, i.e. relocations in cases where due to external events there is no alternative but to vacate the currently occupied space, are also included.	47,715		+862
Department Working Capital Fund Changes The change reflects expected changes in the charges for services funded through the working capital fund. These charges are displayed in the Budget Justification for Departmental Management.	17,455	17,631	+2,288
Employer Share of Federal Health Benefit Plans Amount Absorbed The adjustment is for changes in the Federal government's share of the cost of health insurance coverage for Federal employees. The increase is estimated at 11 percent, the average increase for the past few years.	+4,253		+2,913 [1,248]

Aviation Management

Funding for salaries and operations in Aviation Management currently resides in the Central Office Operations subactivity (1660). However, in fiscal year 2003, the lead implementation responsibility and personnel were transferred to the Migratory Bird Management (1231) program from Central Office Operations. A significant portion of the Service's aircraft program supports Migratory Bird Management activities. The FY 2007 President's Budget requests an internal transfer of these funds (\$250,000) from Central Office Operations to Migratory Bird Management.

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